19. March.07		W. Jones	21. March.07	DHC	1610008025629
DATE N	SUSPENSE	ENGINEER	LOGGED IN	TYPE	APP NO.

ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -1220 South St. Francis Drive, Santa Fe, NM 87505



ADMINISTRATIVE APPLICATION CHECKLIST

THE CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

App licition Acronyms:

[NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication] [DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling] [PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement] [WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion] [SWD-Salt Water Disposal] [IPI-Injection Pressure Increase] [EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

 [1]
 TYPE OF APPLICATION - Check Those Which Apply for [A] [A]
 Location - Spacing Unit - Simultaneous Dedication [NSL
 NSP
 SD-SD-Check One Only for [B] or [C]

- [B]
 Commingling Storage Measurement

 DHC
 CTB
 PLC
 PC
 OLS
 OLM

 [C]
 Injection Disposal Pressure Increase Enhanced Oil Recovery

 WFX
 PMX
 SWD
 IPI
 EOR
 PPR
- [2] **NOTIFICATION REQUIRED TO:** Check Those Which Apply, or Does Not Apply [A] Working, Royalty or Overriding Royalty Interest Owners
 - [B] Offset Operators, Leaseholders or Surface Owner
 - [C] Application is One Which Requires Published Legal Notice
 - [D] Notification and/or Concurrent Approval by BLM or SLO U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office
 - [E] For all of the above, Proof of Notification or Publication is Attached, and/or,
 - [F] Waivers are Attached

Other: Specify

[D]

[3] SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.

[4] **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is accurate and complete to the best of my knowledge. I also understand that no action will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

Print or Type Name

Title

e-mail Address

			R	ECEI	IVED
District I			ew Mexico		Form C-107A
1625 N. French Drive, Hobbs, NM 88240	Energy,	Minerals and Nati	ural Resources I	Departmento 1 Q	2007 Revised June 10, 2003
District II	.			· MAR IU	2001
1301 W. Grand Avenue, Artesia, NM 88210		Oil Conser	vation Divisi	ion	APPLICATION TYPE
District III		1220 Sout	th St. Francis D	r. Oil Conservati	ion Division X Single Well
1000 Rio Brazos Road, Aziec, NM 87410		Santa Fe, N	ew Mexico 875	505 1220 S. St. Fr.	ancisabilis Pre-Approved Pools
District IV				Santa Fe, N	M 87505 STING WELLBORE
1220 S. St. Francis Dr., Santa Fe, NM 187505	APPLICA	TION FOR DOV	WNHOLE CON		X Yes No
MARBOB ENERGY CORPORAT	TION	P O BOX	227	DHC-38 ARTE	88211-0027
Operator		Addı	ress		
MULE 24 FEDERAL	2	G-24-24S-	-25E	EDD	Y COUNTY, NM
Lease	Well No.	Unit Letter-S	Section-Township-P	lange	County
OGRID No. 14049 Property Co	de 73960	_ API No30-0	015-21203	_ Lease Type: <u>X</u>	_FederalStateFee
DATA ELEMENT	UPPE	ER ZONE	INTERME	DIATE ZONE	LOWER ZONE

	LI/C		
Pool Name	UNDESIGNATED STRAWN		UNDESIGNATED ATOKA
Pool Code			
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	10952-11100' PERF		11309-11458' PERF
Method of Production (Flowing or Antificial Lift)	FLOWING		FLOWING
Bottomhole Pressure (Note: Pressure data will not be required if the bottom perforation in the lower zone is within 150% of the depth of the top perforation in the upper zone)	EST 500 PSI PRODUCING BHP		EST 500 PSI PRODUCING BHP
Oil Gravity or Gas BTU (Degree API or Gas BTU)	N/A		N/A
Producing, Shut-In or New Zone	NEW ZONE		NEW ZONE
Date and Oil/Gas/Water Rates of Last Production. (Note: For new zones with no production history, applicant shall be required to attach production estimates and supporting data.)	Date: Rates:	Date: Rates:	Date: 5 MAR 07 Rates: 210 MCFD NO FLUID
Fixed Allocation Percentage (Note: If allocation is based upon something other	Oil Gas	Oil Gas	Oil Gas
than current or past production, supporting data or explanation will be required.)	100 % 54 %	% %	0 % 46 %

ADDITIONAL DATA

Are all working, royalty and overriding royalty interests identical in all commingled zones? If not, have all working, royalty and overriding royalty interest owners been notified by certified mail?	Yes X Yes	No No
Are all produced fluids from all commingled zones compatible with each other?	Yes X	No
Will commingling decrease the value of production?	Yes	No <u>X</u>
If this well is on, or communitized with, state or federal lands, has either the Commissioner of Public Lands or the United States Bureau of Land Management been notified in writing of this application?	Yes <u>X</u>	No
NMOCD Reference Case No. applicable to this well:		

Attachments:

1

•.

C-102 for each zone to be commingled showing its spacing unit and acreage dedication. Production curve for each zone for at least one year. (If not available, attach explanation.) For zones with no production history, estimated production rates and supporting data.

Data to support allocation method or formula. Notification list of working, royalty and overriding royalty interests for uncommon interest cases. Any additional statements, data or documents required to support commingling.

PRE-APPROVED POOLS

If application is to establish Pre-Approved Pools, the following additional information will be required:

List of other orders approving downhole commingling within the proposed Pre-Approved Pools List of all operators within the proposed Pre-Approved Pools	
Proof that all operators within the proposed Pre-Approved Pools were provided notice of this application. Bottomhole pressure data.	
	_

I hereby certify that the inf	annation above is true an	d complete to the best of	fmy knowledge and halief
I hereby certify that the inf		a complete to the best of	my knowledge and bellel.

SIGNATURE Mini Collini	_TITLEENGINEER	DATE_	03/15/07
TYPE OR PRINT NAME BRIAN COLLINS	TELEPHONE NO. (<u>505</u>)	748-3303

engineering@marbob.com E-MAIL ADDRESS

Engineering Summary Form C-107A Application for Downhole Commingling Marbob Energy Corporation Mule 24 Federal No. 2 (G-24-24S-25E)

Marbob Energy proposes to downhole commingle the Atoka and Strawn zones. No crossflow will occur because this well will be produced into a low pressure pipeline at maximum drawdown.

The Atoka and Strawn reserves are calculated as follows:

Strawn:

1

Best engineering estimate is that Strawn will come in at 250 MCFD and that the Strawn and Atoka will decline at the same rate. The zonal allocation will be based on initial production rate. The best engineering estimate is that 100% of any oil produced will come from the Strawn.

Atoka:

The Atoka tested at 210 MCFD (380 psig on 10/64" choke) after being acidized. Best engineering estimate is that the Atoka and Strawn will decline at the same rate. The zonal allocation will be based on initial production rate.

The proposed allocation follows. If actual tests are significantly different than shown in allocation below, a new allocation will be submitted.

Atoka Gas	210 MCFD 250 + 210MCFD	= 46%
Oil		= 0%
Strawn Gas	250 MCFD	= 54%
Oil	250 + 210 MCFD	= 100%
		- 100%

	Man a , a an an an an a		A construction of the second sec		State of Ne	w Mexico	annan ar Alfa taon a ta Alfa aignatha an ann an Anna airtean ann	anna a fairt ann an t-ann an t-ann ann an t-ann	Form C-102
625 N. French Dr., F listrict II	Hobbs, NM	188240	Ene	ergy, Mir	nerals & Natur	al Resources Depai	tment	Revised	October 12, 2005
301 W. Grand Aven	ue, Artesia	a, NM 88210				TION DIVISIO	r	ubmit to Appropri	ate District Office
istrict III						. Francis Dr.		State	e Lease - 4 Copies
000 Rio Brazos Rd.,	Aztec, NN	1 87410		• ·	Santa Fe, N			Fei	e Lease - 3 Copics
<u>listrict IV</u> 220 S. St. Francis Di	r., Santa F	e. NM 87505	ş.		Sama re, r	NIVI 07303			ENDED REPORT
						REAGE DEDIC	ATION PLA		
	Pl Number			² Pool Code			¹ Pool Ne		
			75 - 20	96070-		(contestand	Wildcat, N	lorrow; Sc	ith
' Property Co	de			i.	'Property Jule 24 Fe				Well Number
'OGRID No					Operator		and the second secon		² Elevation
14049				N	iarbob Ene	rgy Corporat	ion	386	
					¹⁰ Surface	Location			<u> </u>
'L or lat no.	Section	Township	Range	Lot Idn	Feet from the	e North/South line	Feet from the	East/West line	County
G	24	245	25E		1980'	North	1656'	East	Eddy
			¹¹ Bot	tom Ho	le Location	If Different Fron	n Surface		
L or lot no.	Section	Township	Range	Lot Idn	Feet from the		Feet from the	East/West line	County
<u> </u>	24_	245	25E		1980'	North	- 660'	East	Eddy
Dedicated Acres	" Joint or	· Infill	Consolidation Co	ide "Or	der No.				
320	L								

BHL 660'

Nancy T. Bratcher

and correct to the best of my belief.

Signature and Seal of Professional Surveyor

¹⁸SURVEYOR CERTIFICATION thereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by the or under my supervision, and that the same is true

rinted Name

Date of Survey

Certificate Number

165<u>6'</u>'

Description Energy, Minerals and Natural Resources May 27, 21 Description Description May 27, 21 Description OIL CONSERVATION DIVISION 30-015-21203 District III District III Sunda Are, Artisia, NM 88210 OIL CONSERVATION DIVISION District III District III Sunda Fe, NM 87505 S. Indicate Type of Lease CONOTUSE THIS FORM FOR PROPOSALS TO DALL OR TO DEPENSOR PLUG BACK TO A 7. Lease Name or Unit Agreement Name MULE 24 FEDERAL S. Well Number 2 2. Name of Operator P 0 BOX 227 8. Well Number 14049 3. Address of Operator P 0 BOX 227 IO. Pool name or Wildcat 4 4. Well Location Information (Show whether DR, RKB, RT, GR, etc.) NMPM EDDY County NN Section 24 Township 24S Range 25E NMPM EDDY County NN I1. Elevation (Show whether DR, RKB, RT, GR, etc.) 3856' GR SUBSEQUENT REPORT OF: Pit or Below grade Tank Anglication Gr County II Elevator of Other Data 12. Check Appropriate Box to Indicate Nature of Notice, Report of Other Data Costarte Starte Starte water Pit to Below grade Tank Anglication Pulica An Abandon Cosindice Report Other Data <t< th=""><th>Office</th><th>priate District</th><th></th><th>f New Mexico</th><th></th><th></th><th></th><th>orm C-10</th></t<>	Office	priate District		f New Mexico				orm C-10
1301 W. Grand Ave., Arseis, NM 88210 OIL CONSERVATION DIVISION 1220 South St. Francis Dr. Starte III 1100 Rob Pazza Rd., Azec, NM 37410 1220 South St. Francis Dr. Starte III 1220 South St. Francis Dr. Starte III 1220 South St. Francis Dr. Starte III 1220 South St. Francis Dr. Starte III 1220 South St. Francis Dr. Starte III 1220 South St. Francis Dr. Starte III 1220 South St. Francis Dr. Starte III 1220 South St. Francis Dr. Starte III 1220 South St. Francis Dr. Starte III 1220 South St. Francis Dr. Starte III 1220 South St. Francis Dr. Starte III 1220 South St. Francis Dr. Starte III 1220 South St. Francis Dr. Starte III 1220 South St. Francis Dr. Starte III 1220 South St. Francis Dr. Starte III 1220 South St. Francis Dr. Starte III 1220 South St. Francis Dr. Starte III 1220 South St. Francis Dr. Starte III 1220 South St. Francis Dr. Starte III 11. Type of Well: Oil Well C Gas Well III 21. Name of Operator P 0 BOX 227 ARTESIA, NM 88211-0227 4. Well Location III. Elevation (Show whether DR, RKB, RT, GR, etc.) 11. Elevation (Show whether DR, RKB, RT, GR, etc.) 11. Elevation (Show whether DR, RKB, RT, GR, etc.) 12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data 12. Check Appropriate Box to Indicate Natu	1625 N. French Dr., Hobbs,		Energy, Mineral	s and Natural R	esources		API NO.	viay 27, 20
Databases Rd., Aztec, NM 87410 Santa Fe, NM 87505 STATE FEE Did Rio Brazes Rd., Aztec, NM 87410 Santa Fe, NM 87505 6. State Oil & Gas Lease No. 220 S. St. Pracis Dr., Santa Fe, NM SUNDRY NOTICES AND REPORTS ON WELLS 7. Lease Name or Unit Agreement Name (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR FLUG BACK TO A 9. OGRID Number 11. Type of Well: Oil Well Gas Well [2] Other 9. OGRID Number 2. Name of Operator 9. OGRID Number 140.49 3. Address of Operator 10. Pool name or Wildcat 8. Well Number 4. Well Location Unit Letter G 11. Elevation (Show whether DR, RKB, RT, GR, etc.) 10. Pool name or Object Construction 11. Elevation (Show whether DR, RKB, RT, GR, etc.) 11. Elevation (Show whether DR, RKB, RT, GR, etc.) 11. Elevation 11. Elevation (Show whether DR, RKB, RT, GR, etc.) 12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data 12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data Commerce Nulle Construction Material 12. Check Appropriate Box to Indicate Nature of Notice, Report OF: PERFORM REMEDIAL WORK Appropriate Box to Indicate Nature of Notice, Report or Other Data 0THER: MUNIE COMPIL Change Prinent datasis, and give pertinent dates, including estima		ia, NM 88210	OIL CONSER	VATION DIV	ISION			
Down and mean Net, NM, NM 3940 Santa Fc, NM 87505 6. State Oil & Gas Lease No. 10355 SUNDRY NOTICES AND REPORTS ON WELLS 7. Lease Name or Unit Agreement Name (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE 'APPLICATION FOR PERMIT' (FORM C-101) FOR SUCH 7. Lease Name or Unit Agreement Name MULE 24 FEDERAL 8. Well Number 2 2. Name of Operator 9. OCRID Number 14049 14049 3. Address of Operator 9. DORID Number 14049 10. Pool name or Wildcat MILE 24 FEEL Lin Yell Location 11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3856 0 Consult 9. OCRID Number 11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3856 0 Consult 9. OCRE Tank Application Or Closure D 11. Elevation Cor Closure D 12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data NOTICE OF INTENTION TO: PERFORM REMEDIAL WORK PLUG AND ABANDON TEMPORARILY ABANDON Change PLANS PULL OR ALTER CASING MULTIPLE COMPL 00THER: DOWNHOLE COMMINGLING 113. DEScribe proposed or	District III		1220 Sou	th St. Francis I	Dr.			
1220 S. S. F. Francis Dr., Santa Fe, NM 7. Lease Name or Unit Agreement Name Vision PROPOSALS TO DELLO BACK TO A DELEYE AND REPORTS ON WELLS 0D NOT USE THIS FORM FOR PROPOSALS TO DELLO BACK TO A DELEYE AND REVERSAUR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS) 7. Lease Name or Unit Agreement Name VULE 24 FEDERAL 1. Type of Well: Oil Well Gas Well OGRID Number 1 8. Well Number 2 9. OGRID Number 14049 3. Address of Operator P 0 BOX 227 10. Pool name or Wildcat 4. Well Location Unit Letter G		:, NM 87410	Santa I	Fe, NM 87505				
SUNDRY NOTICES AND REPORTS ON WELLS 7. Lease Name or Unit Agreement Name DD NOT USE THS FORM FOR PROPOSALS TO DRLLOR NO DEPERS NO PLUG BACK TO A MULE 24 FEDERAL PROPOSALS) 8. Well Number 2 1. Type of Well: Oil Well Gas Well 3. Other 8. Well Number 2. Name of Operator 9. OGRID Number 14049 3. Address of Operator 9. OGRID Number 14049 4. Well Location Unit Letter G 1980 0. Unit Letter G 1980 feet from the NORTH 11. Elevation (Show whether DR, KKB, RT, GR, etc.) 3856' GR NMPM EDDY County 12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data NOTICE OF INTENTION TO: SUBSEQUENT REPORT OF: PERFORM REMEDIAL WORK PLUG AND ABANDON Comment Casing Ca	1220 S. St. Francis Dr., San	ita Fe, NM						
DIFFERENT RESERVOR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH MULE 24 FEDERAL PROPOSALS) 8. Well Number 1. Type of Well: Oil Well Gas Well Other 8. Well Number 2. Name of Operator 9. OGRID Number 14049 3. Address of Operator P 0 BOX 227 10. Pool name or Wildcat 4. Well Location Unit Letter G: 1980 0. Control 11. Elevation (Show whether DR, RKB, RT, GR, etc.) NMPM EDDY County NM 11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3856' GR Pit or Below grade Tank Application [] or Closure]] Pit type Depth to Groundwater Distance from nearest fresh water well Distance from nearest surface water Pit Uner Thickness: mill Below-Grade Tank. Volume bbis: Construction Material 12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data NOTICE OF INTENTION TO: SUBSEQUENT REPORT OF: PERFORM REMEDIAL WORK PLUG AND ABANDON CHANGE PLANS CANING PANDA CANING PANDA CANINGK P AND A CANINGK CANING PANDA CANINGK P AND A CANINGK CANING COMMENCE DRILLING OPNS P AND A CANINGK CANING CANINGK CANING CANINGK CANING CANINGK CANING CANINGK CANING CANING CANING CANING CA		NDRY NOTICES	AND REPORTS (ON WELLS		7. Lease	Name or Unit Agreem	ent Name
1. Type of Well: Oil Well Gas Well Gas Well Gas Well Source 8. Well Number 2 2. Name of Operator MARBOB ENERGY CORPORATION 14049 9. OGRID Number 14049 3. Address of Operator P 0 BOX 227 ARTESIA, NM 88211-0227 10. Pool name or Wildcat 1656 feet from the FEL Iir 4. Well Location Unit Letter G : 1980 feet from the NORTH line and 1656 feet from the FEL lin Section 24 Township 24S Range 25E NMPM EDDY County NM Mellow-grade Task Application Ior Closure Interact from nearest fresh water well Distance from nearest surface water Distance from nearest surface water Pit tase Pit tase Mill Below-Grade Task: Volume bbls; Construction Material 12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data NOTICE OF INTENTION TO: SUBSEQUENT REPORT OF: PERFORM REMEDIAL WORK PLUG AND ADA ADANDON C ALTERING CASING ALTERING CASING PULL OR ALTER CASING MULTIPLE COMPL CASING/CEMENT JOB CASING/CEMENT JOB ALTERING CASING OTHER: DOWNHOLE COMMINGLING OTHER	DIFFERENT RESERVOIR					MULE 2	4 FEDERAL	
MARBOB ENERGY CORPORATION 14049 3. Address of Operator P 0 BOX 227 ARTESIA, NM 88211-0227 10. Pool name or Wildcat 4. Well Location Unit Letter G 1980 feet from the NORTH line and 1656 feet from the FEL line Yell Section 24 Township 24S Range 25E NMPM EDDY County NM II. Elevation (Show whether DR, RKB, RT, GR, etc.) 3356' CR 3356' CR 3356' CR Image: Construction Material Pit or Below-grade Tank Application C or Closure [] Pit or Below-grade Tank Application C or Closure [] Distance from nearest fresh water well Distance from nearest surface water Distance from nearest surface water Pit Iner Thickness: mil Below-Grade Tank: Volume bbls; Construction Material Construction Material 12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data NOTICE OF INTENTION TO: SUBSEQUENT REPORT OF: PERFORM REMEDIAL WORK [] PLUG AND ABANDON [] CASING/CEMENT JOB [] COMMENCE DRILLING OPNS. [] P AND A [] PULL OR ALTER CASING [] MULTIPLE COMPL [] OTHER: CASING/CEMENT JOB [] COMMENCE DRILLING OPNS. [] P AND A [] 13. Des		Well Gas V	Well 🛛 Other			8. Well	Number 2	
3. Address of Operator P. 0 BOX 227 ARTESIA, NM 88211-0227 10. Pool name or Wildcat 4. Well Location Unit Letter_G 1980 feet from the NORTH line and 1656 feet from the FEL line Section 24 10. Pool name or Wildcat 11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3856' GR 11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3856' GR 11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3856' GR Pit or Below-grade Tank Application or Closure] 11. Elevation (Show whether DR, RKB, RT, GR, etc.) 11. Elevation (Show whether DR, RKB, RT, GR, etc.) Pit typeDept to Groundwater	2. Name of Operator	MARBOB FN	FRCY CORPORA	TTON			ID Number	
ARTESIA, NM 88211-0227 4. Well Location Unit Letter G 1980 feet from the NORTH line and 1656 feet from the FEL lin's Section 24 Township 248 Range 25E NMPM EDDY County NM II. Elevation (Show whether DR, RKB, RT, GR, etc.) 3856' GR III. Elevation (Show whether DR, RKB, RT, GR, etc.) III. Elevation (Show whether DR, RKB, RT, GR, etc.) III. Elevation (Show whether DR, RKB, RT, GR, etc.) Bit or Below-grade Tank Application or Closure Pit or Below-Grade Tank: Volume Distance from nearest surface water Pit Liner Thickness: mil Below-Grade Tank: Volume bbls; Construction Material 12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data NOTICE OF INTENTION TO: SUBSEQUENT REPORT OF: PERFORM REMEDIAL WORK PLUG AND ABANDON CHANGE PLANS ALTERING CASING PULL OR ALTER CASING MULTIPLE COMPL CASING/CEMENT JOB ALTERING CASING OTHER: DOWNHOLE COMMINGLING OTHER: III. III. 13. Describe proposed or completed operations. Clearly state all pertinent details, and give pertinent dates, includin	3. Address of Operato			1100			name or Wildcat	
Unit Letter G : 1980 feet from the NORTH line and 1656 feet from the FEL lin Section 24 Township 24S Range 25E NMPM EDDY County NM Ill. Elevation Show whether DR, RKB, RT, GR, etc.) 3856' GR 3856' GR 3856' GR 1000000000000000000000000000000000000	,			27				
Section 24 Township 24S Range 25E NMPM EDDY County NM Section 24 Township 24S Range 25E NMPM EDDY County NM 11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3856' GR 3856' GR Stance from nearest surface water Stance from nearest		 10	80	NODTH		1656	TT	
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3856' GR Pit or Below-grade Tank Application or Closure of	Unit Letter	·••••••••••••••••••••••••••••••••						lin
3856' GR Pit or Below-grade Tank Application □ or Closure □ Pit to GroundwaterDistance from nearest fresh water wellDistance from nearest surface waterPit Liner Thickness: mil Below-Grade Tank: Volume bbls; Construction Material 12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data NOTICE OF INTENTION TO: SUBSEQUENT REPORT OF: PERFORM REMEDIAL WORK □ PLUG AND ABANDON □ TEMPORARILY ABANDON □ CHANGE PLANS □ PULL OR ALTER CASING □ MULTIPLE COMPL □ OTHER: DOWNHOLE COMMINGLING OTHER: DOWNHOLE COMMINGLING 0THER: DOWNHOLE COMMINGLING SEE ATTACHED C-107A APPLICATION FOR DOWN HOLE COMMINGLING THE PROPOSED ALLOCATION IS: UNDESIGNATED ATOKA - OIL 00% - GAS 46% UNDESIGNATED STRAWN - OIL 100% - GAS 54% NEW ALLOCATIONS WILL BE SUBMITTED IF ACTUAL WELL PRODUCTION IS SIGNAIFCANTLY DIFFERENT	Section 24						EDDY County	NM
Pit typeDepth to GroundwaterDistance from nearest fresh water wellDistance from nearest surface water Distance from nearest surface water Pit Liner Thickness: mil Below-Grade Tank: Volume bbls; Construction Material 12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data NOTICE OF INTENTION TO:					, <i>N</i> 1, ON, <i>e</i> ic	.)		- HULL
Pit Liner Thickness: mil Below-Grade Tank: Volume bbls; Construction Material 12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data NOTICE OF INTENTION TO: SUBSEQUENT REPORT OF: PERFORM REMEDIAL WORK PLUG AND ABANDON REMEDIAL WORK ALTERING CASING TEMPORARILY ABANDON CHANGE PLANS COMMENCE DRILLING OPNS. P AND A COMMENCE DRILLING OPNS. PULL OR ALTER CASING MULTIPLE COMPL CASING/CEMENT JOB Image: Comment of the second s	<u>Pit or Below-grade Tank A</u>	pplication 🗌 or Closu	ire 🗌				KORA DELANDRA MERINAN MENJUAN MENJAWA MENJAWA KANA KANA DELANG	
12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data NOTICE OF INTENTION TO: PERFORM REMEDIAL WORK PLUG AND ABANDON TEMPORARILY ABANDON CHANGE PLANS PULL OR ALTER CASING MULTIPLE COMPL OTHER: DOWNHOLE COMMINGLING OTHER: DOWNHOLE COMMINGLING I3. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed complet or recompletion. SEE ATTACHED C-107A APPLICATION FOR DOWN HOLE COMMINGLING THE PROPOSED ALLOCATION IS: UNDESIGNATED ATOKA - OIL 0% - GAS 46% UNDESIGNATED STRAWN - OIL 100% - GAS 54% NEW ALLOCATIONS WILL BE SUBMITTED IF ACTUAL WELL PRODUCTION IS SIGNAIFCANTLY DIFFERENT	Pit typeDep	oth to Groundwater	Distance from n	earest fresh water w	ellDi	stance from n	earest surface water	
NOTICE OF INTENTION TO: SUBSEQUENT REPORT OF: PERFORM REMEDIAL WORK PLUG AND ABANDON ALTERING CASING TEMPORARILY ABANDON CHANGE PLANS ALTERING CASING PULL OR ALTER CASING MULTIPLE COMPL COMMENCE DRILLING OPNS. P AND A OTHER: DOWNHOLE COMMINGLING Image: Clearly state all pertinent details, and give pertinent dates, including estimated of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion. SEE ATTACHED C-107A APPLICATION FOR DOWN HOLE COMMINGLING THE PROPOSED ALLOCATION IS: UNDESIGNATED ATOKA - OIL 0% - GAS 46% UNDESIGNATED STRAWN - OIL 100% - GAS 54% NEW ALLOCATIONS WILL BE SUBMITTED IF ACTUAL WELL PRODUCTION IS SIGNAIFCANTLY DIFFERENT	Pit Liner Thickness:	mil B	Below-Grade Tank: \	olume	bbls; C	Construction N	Aaterial	
UNDESIGNATED STRAWN - OIL 100% - GAS 54% NEW ALLOCATIONS WILL BE SUBMITTED IF ACTUAL WELL PRODUCTION IS SIGNAIFCANTLY DIFFERENT	PERFORM REMEDIA TEMPORARILY ABAN		JG AND ABANDO ANGE PLANS		MEDIAL WOR	rk Rilling op		ASING
	PERFORM REMEDIA TEMPORARILY ABAN PULL OR ALTER CAS OTHER: DOWNHOLE 13. Describe propo of starting any or recompletio	AL WORK PLU NDON CH, SING MU E COMMINGLING osed or completed proposed work). Son.	JG AND ABANDC ANGE PLANS LTIPLE COMPL operations. (Clear SEE RULE 1103.	COI CAS CAS CAS CAS CAS CAS CAS CAS COTH CON For Multiple Con	MEDIAL WOF MMENCE DF SING/CEMEN HER: ent details, ar mpletions: A	RK RILLING OP NT JOB	ALTERING C	ASING [
	PERFORM REMEDIA TEMPORARILY ABAN PULL OR ALTER CAS OTHER: DOWNHOLH 13. Describe propo of starting any or recompletic SEE ATTACHED	AL WORK PLU NDON CH, SING MU E COMMINGLING osed or completed proposed work). Son. C-107A APPLI	JG AND ABANDC ANGE PLANS ILTIPLE COMPL operations. (Clear SEE RULE 1103. CATION FOR D S: UNDESIGN	COI CAS CAS CAS CIT For Multiple Con OWN HOLE CON ATED ATOKA -	MEDIAL WOF MMENCE DF SING/CEMEN HER: ent details, an mpletions: A MINGLING - OIL 0%	RK RILLING OP NT JOB nd give pert attach wellb - GAS 46	ALTERING C NS. P AND A inent dates, including e ore diagram of propose	ASING
	PERFORM REMEDIA TEMPORARILY ABAN PULL OR ALTER CAS OTHER: DOWNHOLH 13. Describe propo of starting any or recompletion SEE ATTACHED THE PROPOSED	AL WORK PLU NDON CH SING MU E COMMINGLING osed or completed proposed work). Son. C-107A APPLI ALLOCATION I ONS WILL BE S	JG AND ABANDC ANGE PLANS LTIPLE COMPL operations. (Clear SEE RULE 1103. CATION FOR D S: UNDESIGN UNDESIGN	COI CAS CAS CAS CAS CAS CON For Multiple Con OWN HOLE CON ATED ATOKA - ATED ATOKA -	MEDIAL WOF MMENCE DF SING/CEMEN HER: ent details, ar mpletions: A MINGLING - OIL 0% - OIL 10	RK RILLING OP NT JOB nd give pert ttach wellb – GAS 46 0% – GAS	ALTERING C NS. P AND A inent dates, including e ore diagram of propose	ASING
	PERFORM REMEDIA TEMPORARILY ABAN PULL OR ALTER CAS OTHER: DOWNHOLH 13. Describe propo of starting any or recompletion SEE ATTACHED THE PROPOSED	AL WORK PLU NDON CH SING MU E COMMINGLING osed or completed proposed work). Son. C-107A APPLI ALLOCATION I ONS WILL BE S	JG AND ABANDC ANGE PLANS LTIPLE COMPL operations. (Clear SEE RULE 1103. CATION FOR D S: UNDESIGN UNDESIGN	COI CAS CAS CAS CAS CAS CON For Multiple Con OWN HOLE CON ATED ATOKA - ATED ATOKA -	MEDIAL WOF MMENCE DF SING/CEMEN HER: ent details, ar mpletions: A MINGLING - OIL 0% - OIL 10	RK RILLING OP NT JOB nd give pert ttach wellb – GAS 46 0% – GAS	ALTERING C NS. P AND A inent dates, including e ore diagram of propose	ASING
	PERFORM REMEDIA TEMPORARILY ABAN PULL OR ALTER CAS OTHER: DOWNHOLH 13. Describe propo of starting any or recompletion SEE ATTACHED THE PROPOSED NEW ALLOCATION THAN THAT ABO	AL WORK PLU NDON CH SING MU E COMMINGLING osed or completed proposed work). Son. C-107A APPLI ALLOCATION I ONS WILL BE S OVE.	JG AND ABANDC ANGE PLANS LTIPLE COMPL operations. (Clean SEE RULE 1103. CATION FOR D S: UNDESIGN UNDESIGN UBMITTED IF	COI CAS CAS CAS CAS OTH Sor Multiple Con OWN HOLE CON ATED ATOKA - ATED ATOKA - ATED STRAWN ACTUAL WELL	MEDIAL WOF MMENCE DF SING/CEMEN HER: ent details, an mpletions: A MINGLING - OIL 0% - OIL 0% PRODUCTIO	RK RILLING OP NT JOB nd give pert Attach wellb – GAS 46 0% – GAS 0N IS SI	ALTERING C NS. P AND A inent dates, including e ore diagram of propose 54% GNAIFCANTLY DIF	ASING
I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or be grade tank has been/will be constructed or closed according to NMOCD guidelines \Box , a general permit \Box or an (attached) alternative OCD-approved plan	PERFORM REMEDIA TEMPORARILY ABAN PULL OR ALTER CAS OTHER: DOWNHOLH 13. Describe propo of starting any or recompletio SEE ATTACHED THE PROPOSED NEW ALLOCATIO THAN THAT ABO	AL WORK PLU NDON CH SING MU E COMMINGLING osed or completed proposed work). Son. C-107A APPLI ALLOCATION I ONS WILL BE SOVE.	JG AND ABANDC ANGE PLANS LTIPLE COMPL operations. (Clean SEE RULE 1103. CATION FOR D S: UNDESIGN UNDESIGN UBMITTED IF	COI CAS CAS CAS CAS CAS CAS CAS CON For Multiple Con OWN HOLE CON ATED ATOKA - ATED ATOKA - ATED STRAWN ACTUAL WELL	MEDIAL WOF MMENCE DF SING/CEMEN HER: ent details, an mpletions: A MINGLING - OIL 0% - OIL 0% PRODUCTIO	RK RILLING OP NT JOB - GAS 46 0% - GAS 0N IS SI	ALTERING C NS. P AND A innent dates, including e ore diagram of propose 54% GNAIFCANTLY DIF	ASING
I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or bel grade tank has been/will be constructed or closed according to NMOCD guidelines [], a general permit [] or an (attached) alternative OCD-approved plan SIGNATURE	PERFORM REMEDIA TEMPORARILY ABAN PULL OR ALTER CAS OTHER: DOWNHOLH 13. Describe prope of starting any or recompletic SEE ATTACHED THE PROPOSED NEW ALLOCATIO THAN THAT ABO	AL WORK PLU NDON CH SING MU E COMMINGLING osed or completed proposed work). Son. C-107A APPLI ALLOCATION I ONS WILL BE SOVE.	JG AND ABANDC ANGE PLANS LTIPLE COMPL operations. (Clean SEE RULE 1103. CATION FOR D S: UNDESIGN UNDESIGN UBMITTED IF	COL CAS CAS CAS CAS CAS CAS CAS COM STED ATOKA - ATED ATOKA - ATED ATOKA - ATED STRAWN ACTUAL WELL	MEDIAL WOF MMENCE DF SING/CEMEN HER: ent details, an mpletions: A MINGLING - OIL 0% - OIL 10 PRODUCTIO PRODUCTIO	RK RILLING OP NT JOB - GAS 46 0% - GAS 0N IS SI	ALTERING C NS. P AND A ninent dates, including e ore diagram of propose 54% GNAIFCANTLY DIF	SASING [

APPROVED BY:	
Conditions of App	roval (if any)

Form 3160-5 (April 2004) UNITED STATES DEPARTMENT OF THE INTERIOI BUREAU OF LAND MANAGEMENT	FORM APPROVED OM B No. 1004-0137 Expires: March 31, 2007 5. Lease Serial No.
SUNDRY NOTICES AND REPORTS O Do not use this form for proposals to drill or abandoned well. Use Form 3160-3 (APD) for s	6. If Indian, Allottee or Tribe Name
SUBMIT IN TRIPLICATE- Other instructions of	7. If Unit or CA/Agreement, Name and/or No.
1. Type of Well Gas Well Other	8. Well Name and No.
2. Name of Operator MARBOB ENERGY CORPORATION	MULE 24 FEDERAL #2 9. API Well No.
3a. Address 3b. Phone N P O BOX 227, ARTESIA, NM 88211-0227 505-748-	30. (include area code) 30-015-21203 303 10. Field and Pool, or Exploratory Area
4. Location of Well (Footage, Sec., T., R., M., or Survey Description)	
SEC. 24-T24S-R25E, UNIT G 1980 FNL 1656 FEL, NW/4NE/4	11. County or Parish, State EDDY COUNTY, NM
12. CHECK APPROPRIATE BOX(ES) TO INDICATE	NATURE OF NOTICE, REPORT, OR OTHER DATA
TYPE OF SUBMISSION	TYPE OF ACTION
Image: Subsequent Report Image: Acidize Image: Deepen Image: Subsequent Report Image: Casing Repair Image: New Con Image: Subsequent Report Image: Change Plans Image: Plans	truction Recomplete DOWNHOLE
Final Abandonment Notice	Water Disposal
Attach the Bond under which the work will be performed or provide the Bond N following completion of the involved operations. If the operation results in a mu	OIL 0% - GAS 46% - OIL 100% - GAS 54%
Name (Printed/Typed) BRIAN COLLINS	Title ENGINEER
Signature United Chin	Date 03/15/2007
THIS SPACE FOR FEDERAL	OR STATE OFFICE USE
Approved by Conditions of approval, if any, are attached. Approval of this notice does not warra certify that the applicant holds legal or equitable title to those rights in the subject le which would entitle the applicant to conduct operations thereon. Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any	office
States any false, fictitious or fraudulent statements or representations as to any matter (Instructions on page 2)	within its jurisdiction.

, **`**}